News Release

Japan Credit Rating Agency, Ltd.

26-S-0125
November 9, 2026

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

SPARX Biomass Green Project Bond Trust (Toki) Beneficial Interest and Trust ABL

<Credit Monitor Continuation> <Rating Change>
Beneficial Interest: from #BB/Negative to #B/Negative
ABL: from #BB/Negative to #B/Negative

Rationale

This is a rating for the project finance for the biomass power generation project in Toki City in Gifu Prefecture by SGET Toki Biomass G.K. In September 2026, a malfunction occurred in the fuel handling equipment, forcing the power plant to suspend operations again for a long period. Due to the decline in electricity sales revenue, the project's financial performance is expected to deteriorate further, and the application of the contractual deferral provision is being considered for the principal and interest payment due at the end of November 2026. Given the further deterioration in flexibility of debt repayment and concerns over the stable operation of the power plant and the outlook for financing, JCR has downgraded the rating on the Beneficial Interests and Trust ABL to "B." Depending on future operating conditions and outlook for debt repayment, there is also a possibility of a further downgrade; therefore, the Credit Monitor with a Negative outlook will be maintained.

Yoshinori Namioka, Kengo Umezawa

Rating

<Credit Monitor Continuation> <Rating Change>

Instrument Name	Initial Issue Amount / Execution Amount (mn)	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 3,160	Dec. 30, 2042	Fixed	#B/Negative
Trust ABL	JPY 2,500	Dec. 30, 2042	Fixed	#B/Negative

<Information on Outline of Issue>

Trust Establishment Date: November 11, 2021
Beneficial Interest Assignment/ ABL Execution Date: November 11, 2021
Redemption/Repayment Method: Scheduled Redemption/Repayment
Credit Enhancement & Liquidity Facility: NA
Cash Reserve and Senior-subordinated Structure as Credit Enhancement & Liquidity Facility with respect to loan claims, which are underlying assets

<Information on Structure and Stakeholders>

Entrustor: Goldman Sachs Japan Co., Ltd.
Trustee: J-Value Trust Company, Limited
Biomass Power Generation Project Operator: SGET Toki Biomass G.K.
Sponsor, Asset Manager (Management Advisor): SPARX Green Energy & Technology Co., Ltd.
O&M Operator: SPARX Bio Fuel Co., Ltd.
Arranger: Goldman Sachs Japan Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Loan claims against a biomass power generation project operator

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Rating Assignment Date: November 5, 2026

The assumptions for the credit ratings and the definitions of the rating symbols are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (https://www.jcr.co.jp/en/).

Outline of the rating methodology is shown as "Project Finance" (April 1, 2026) in Information about JCR Ratings on JCR's website (https://www.jcr.co.jp/en/).

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

Japan Credit Rating Agency, Ltd.
Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

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JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)

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